REPORT TO MAYOR AND COUNCIL



NO: <u>13-201</u>

Council Meeting: August 27, 2013

SUBJECT: Discussion and Possible Action on a Resolution to Initiate the Annexation Process for Two Island Areas Located within the City of Sunnyvale Urban Service Area but Currently under the County of Santa Clara's Jurisdiction (Central Expressway and Butcher's Corner).

BACKGROUND

On May 21, 2013 the City Council authorized the Mayor and City Manager to sign the Santa Clara County Island Annexation Mapping Request Form to initiate the annexation process for two island areas located within the City of Sunnyvale Urban Service Area but currently under the County of Santa Clara's jurisdiction (Central Expressway and Butcher's Corner); RTC 13-124.

The Local Agency Formation Commission (LAFCO) of Santa Clara County and the County of Santa Clara Planning Division are encouraging the City of Sunnyvale to annex island areas that are currently unincorporated but within the Urban Service Area (USA) of Sunnyvale. Staff recommends the City Council adopt the resolutions (Attachments A & B) to initiate the annexation for two island areas located within the City of Sunnyvale Urban Service Area but currently under the County of Santa Clara's jurisdiction (Central Expressway and Butcher's Corner).

EXISTING POLICY

Land Use and Transportation Element

Policy LT-4.1 – Protect the integrity of the City's neighborhoods; whether residential, industrial or commercial.

Housing Element

Goal HE-4 Adequate Housing Sites – Provide adequate sites for the development of new housing through appropriate land use and zoning to address the diverse needs of Sunnyvale's residents and workforce.

CEQA REVIEW

The annexations are categorically exempt from CEQA (Guideline 15319(a)) as they result in the annexation of existing facilities developed to the density allowed by the current zoning or pre-zoning of either the gaining or losing governmental agency (whichever is more restrictive).

DISCUSSION

Staff has received the necessary documentation from LAFCO (Attachment C & D) to process the annexations for two island areas (Central Expressway and Butcher's Corner).

The following steps are required to complete the annexation of the island areas into the City of Sunnyvale's USA:

- 1. A public hearing to adopt resolutions to initiate the annexation process for two sites (*action associated with this RTC*).
- 2. A second public hearing to adopt a resolution approving the annexations.
- 3. Sending the signed resolutions to LAFCO.
- 4. Recordation of Certificates of Completion (within 7-10 days after receiving the resolution) by LAFCO. This step results in the properties formal incorporation into the City of Sunnyvale.

Also incorporated in the attached resolutions (Attachments A & B) are detachments from certain utility districts in which the parcels are currently served. This action will result in the parcels being served by the City of Sunnyvale's utility districts once the annexation is formalized.

Central Expressway Island Area

The first site is a 4.3 acre segment of Central Expressway (Attachment C) known as SV01 on the LAFCO letter (Attachment E). This site is (and will continue to be) owned and maintained by the County of Santa Clara. The annexation of this site merely cleans up the incorporated area within the USA boundary for Sunnyvale.

To the north of this site are properties within the City of Mountain View; Residential Mobile Home (RMH) and Medium Density Residential/Planning Development (R-3/PD) zoned properties within the City of Sunnyvale are to the south. Since the road is public right-of-way, and will remain as such, it does not need to be designated under a specific zoning district.

Butcher's Corner Island Area

The second island site, SV03 (Attachment D), is 5.3 acres and referred to as Butcher's Corner by City staff. This site contains six parcels and is currently developed with two residential homes, several accessory structures and an orchard. Four of the parcels within this island site are owned by the Butcher family with the remaining two parcels being City owned, adjacent to the public right-of-way and developed with asphalt paving adjacent to the sidewalk.

The four parcels owned by the Butcher family have been pre-zoned Residential Medium Density/Precise Plan for El Camino Real (R-3/ECR) and designated Residential High Density (RHI) in the General Plan. The site is also designated as a Node in the Precise Plan for El Camino Real. The two City-owned parcels have been pre-zoned Residential High Density/Precise Plan for El Camino Real

(R-4/ECR) and designated Residential High Density (RHI) in the General Plan. No action to change the General Plan designation or rezone the parcels is necessary with the annexation.

FISCAL IMPACT

The County of Santa Clara has agreed to waive all fees related to the annexation of these island parcels because they wish to incorporate the land into the appropriate USA. As the County and LAFCO are preparing the documentation needed to process the annexations, minimal staff time should be required. Once the properties (Butcher parcels only) are annexed into the City, the City will receive property taxes and utility user tax. Because the properties are essentially agricultural (including two homes) and have been owned by the same family for well over 100 years, these revenues are minimal.

PUBLIC CONTACT

Public contact was made in the following ways:

- 1. Posting of the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety;
- 2. Making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site;
- 3. Publication of a notice in the newspaper 21 days prior to both hearings; and,
- 4. Meeting notices were sent to all property owners within 300 feet of the parcels to be annexed into the City.

In addition, staff has discussed the annexation with representatives from the Butcher family who have indicated that the family has no objection to the City proceeding with the annexation of their properties.

ALTERNATIVES

- 1. Adopt the resolutions to initiate the annexation process and set the next public hearing date for two island areas located within the City of Sunnyvale Urban Service Area but currently under the County of Santa Clara's jurisdiction (Central Expressway and Butcher's Corner).
- 2. Do not adopt the resolutions and take no further action on the annexations at this time.

RECOMMENDATION

Staff recommends the City Council adopt the resolutions (Attachment A & B) to initiate the annexation for two island areas located within the City of Sunnyvale Urban Service Area but currently under the County of Santa Clara's jurisdiction (Central Expressway and Butcher's Corner).

Reviewed by:

Hanson Hom, Director, Community Development Department

Reviewed by: Trudi Ryan, Planning Officer Prepared by: Amber El-Hajj, Senior Planner

Approved by:

Gary M. Luebbers City Manager

Attachments

- A. Resolution to Initiate the Annexation of the Central Expressway Island Area
- B. Resolution to Initiate the Annexation of the Butcher's Corner Island Area
- C. Information and Map from LAFCO on the Central Expressway Island Area
- D. Information and Map from LAFCO on the Butcher's Corner Island Area
- E. Letter from LAFCO dated May 2, 2011

Attachment A

ATTA	CHMENT	· A	
Page	\	of 2	HOLET BE

RESOLUTION NO. -13

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE TO INITIATE ANNEXATION OF A PORTION OF CENTRAL EXPRESSWAY FROM BERNARDO AVENUE TO MIDDLEFIELD AVENUE

WHEREAS, the City Council of the City of Sunnyvale has determined that certain properties located in the unincorporated urban areas shall be annexed into Sunnyvale in order to better provide municipal services to the affected residents; and

WHEREAS, the two unincorporated areas are located at Central Expressway from Bernardo Avenue to Middlefield Avenue (referred to as "Parcel SV-01"), the subject of this Resolution, and another parcel located near the intersection of Wolfe Road, El Camino Real and Fremont Avenue, known as "Butcher's Corner" (referred to as "Parcel SV-03"), the subject of a separate Resolution, and

WHEREAS, the Santa Clara County Local Agency Formation Commission, which oversees and administers municipal annexations, was formed to foster orderly growth and to encourage the incorporation of urban pockets into adjacent cities. This effort was further acknowledged when cities adopted urban growth boundaries and spheres of influence which were meant to be cities' long term growth boundaries; and

WHEREAS, the recent enactment of SB 1266 provides municipalities a window of opportunity to annex unincorporated urban pockets without requiring a protest vote of the affected residents to facilitate the correction of boundary anomalies; and

WHEREAS, the subject area will be subject to the City of Sunnyvale's land use jurisdiction as shown in the attached zoning and neighborhood boundary identification maps.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE as follows:

SECTION 1. The City Council, having provided the opportunity for public testimony pursuant to a duly noticed public hearing, does hereby initiate annexation of a parcel known as SV-01 (Central Expressway).

SECTION 2. The actions taken by the City Council are exempt from CEQA where changes in the organization of local government agencies require approval by the agencies, provided there is no change in the geographical area in which previously existing powers were exercised pursuant to Guideline 15319(a).

ATTACHMENT A
Page Z of Z

Adopted by the City Council at a	regular meeting held on	, 2013, by the
following vote:		
AYES: NOES: ABSTAIN: ABSENT:		
ATTEST:	APPROVED:	
City Clerk (SEAL)	Mayor	
APPROVED AS TO FORM:	·	
Joan A. Borger, City Attorney		

Attachment B

ATTA	CHMENT	154	B	
Page		Of	2	

RESOLUTION NO. -13

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE TO INITIATE ANNEXATION OF SIX PARCELS LOCATED NEAR THE INTERSECTION OF WOLFE ROAD, AT EL CAMINO REAL AND FREMONT AVENUE, KNOWN AS THE "BUTCHER PROPERTY" (AND ALSO INCLUDES TWO CITY-OWNED PARCELS)

WHEREAS, the City Council of the City of Sunnyvale has determined that certain properties located in the unincorporated urban areas shall be annexed into Sunnyvale in order to better provide municipal services to the affected residents; and

WHEREAS, the six parcels which are the subject of this Resolution are located within the unincorporated area of the County near the intersection of Wolfe Road at El Camino Real and Fremont Avenue and include four parcels privately owned, known as "Butcher's Corners", and two small parcels owned by the City of Sunnyvale, collectively referred to as "Parcel SV-03"), and

WHEREAS, the Santa Clara County Local Agency Formation Commission, which oversees and administers municipal annexations, was formed to foster orderly growth and to encourage the incorporation of urban pockets into adjacent cities. This effort was further acknowledged when cities adopted urban growth boundaries and spheres of influence which were meant to be cities' long term growth boundaries; and

WHEREAS, the recent enactment of SB 1266 provides municipalities a window of opportunity to annex unincorporated urban pockets without requiring a protest vote of the affected residents to facilitate the correction of boundary anomalies; and

WHEREAS, the subject areas will be subject to the City of Sunnyvale's land use jurisdiction as shown in the attached zoning and neighborhood boundary identification maps.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE as follows:

SECTION 1. The City Council, having provided the opportunity for public testimony pursuant to a duly noticed public hearing, does hereby initiate annexation of six parcels, known as "Butcher's Corner", and collectively referred to as SV-03.

SECTION 2. The actions taken by the City Council are exempt from CEQA where changes in the organization of local government agencies require approval by the agencies, provided there is no change in the geographical area in which previously existing powers were exercised, pursuant to Guideline 15319(a).

ATTA	CHMENT	No.	В
Page	2	of	2

Adopted by the City Council at a regula	ar meeting held on	, 2013, by the
following vote:		
AYES: NOES: ABSTAIN: ABSENT:		
ATTEST:	APPROVED:	
City Clerk	Mayor	
(SEAL)	Wayor	
APPROVED AS TO FORM:		
Joan A. Borger, City Attorney	•	
tourist Doigoi, City Tittorine		

Attachment C

County of Santa Clara Office of the County Assessor

County Government Center 70 West Hedding Street San Jose, CA 95110-1771

Fax (408) 298-9446

ATTACHMENT Page 1

Lawrence E. Stone, Assessor

REPORT OF THE COUNTY ASSESSOR

Date Report

Prepared:

June 24, 2013

Title of Proposal:

Sunnyvale Pocket Annexation No. 2, SV 01-Central Expressway

Type of

Application:

Island Annexation

Conducting

Authority:

City of Sunnyvale

1. Review of Proposal

- a. Location: 4.3 AC portion of Central Expressway between E Middlefield Rd & N Bernardo Avenue
- b. Assessor's Parcel Numbers: portion of street only, not assesable, it has no APN
- Respective Net value of assessed parcels as of last July 1: not assessed, no value

2. Conformity to Lines of Assessment or Ownership

Boundaries of proposal conform	١.
--------------------------------	----

- Boundaries of proposal fail to conform to lines of assessment per attached map.
- Upon annexation, lines of assessment will no longer be split by TRA lines within this proposal.

3. Special Districts

Special districts within the proposed area include:

TRA 68-010

068-010 0112 SUNNYVALE ELEM. SCHOOL

068-010 0135 FREMONT UNION HIGH SCHOOL

068-010 0196 FOOTHILL COMM. COLLEGE

068-010 0215 BAY AREA JT(1,7,21,28,38,41,43,48,49,57) AIR QUALITY

MGMT.

068-010 0224 EL CAMINO HOSPITAL

068-010 0252 MID-PENINSULA REGIONAL JT(41,43,44) OPEN SPACE

068-010 0322 SANTA CLARA VALLEY COUNTY WATER

068-010 0323 SANTA CLARA VALLEY-ZONE NC-1 COUNTY WATER

068-010 0335 SANTA CLARA COUNTY IMPORTATION WATER-MISC.

068-010 0371 CENTRAL FIRE PROTECTION

068-010 0376 SANTA CLARA VALLEY-ZONE W-4 COUNTY WATER

0377 AREA NO. 01 (LIBRARY SERVICES), BENEFIT 068-010

ASSESSMENT COUNTY SERVICE

068-010 0378 AREA NO. 01 (LIBRARY SERVICES) COUNTY SERVICE

Prepared By:

Anita Badger, Property & Title Identification Technician

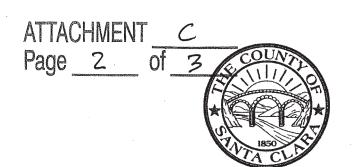
(408) 299-5506

anita.badger@asr.sccgov.org

County of Santa Clara

Planning and Development Office of the County Surveyor

County Government Center 70 West Hedding Street, E. Wing, 7th Floor San Jose, California 95110 (408) 299-5730



June 24, 2013

Ms. Neelima Palacherla, Executive Officer LAFCO 70 W. Hedding Street 11th Floor, East Wing San Jose, CA 95110

SUBJECT: Sunnyvale Pocket Annexation No. 2 "SV01 - Central Expressway"

The attached Exhibit "A" dated June 24, 2013 of the territory proposed to be annexed to the City of Sunnyvale entitled:

Sunnyvale Pocket Annexation No. 2 "SV01 - Central Expressway"

is in accordance with Government Code Section 56757 (c)(2). The boundaries of said territory are completely surrounded by the City of San Jose and are definite and certain. The proposal is in compliance with the Local Agency Formation Commission's road annexation policies.

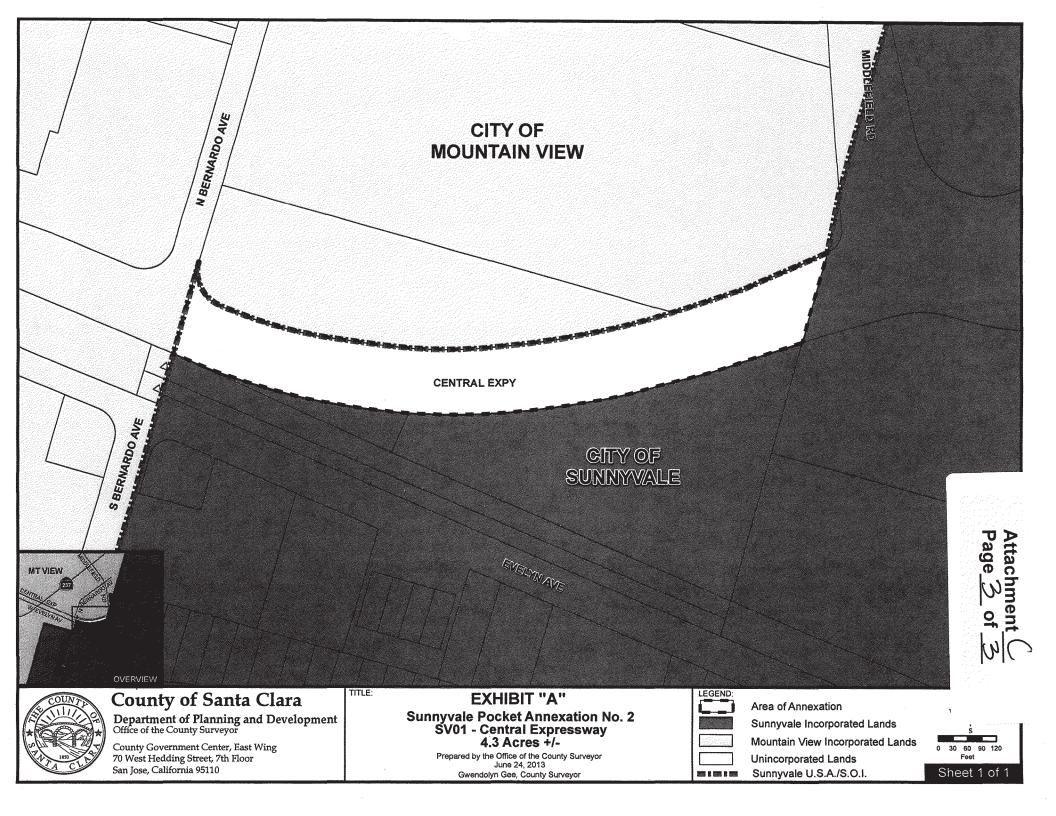
Per the Local Agency Formation Commission and the State Board of Equalization, this Pocket annexation does not require a legal description.

William F. Slepnikoff, PLS Deputy County Surveyor

Date signed: June 24, 2013

Attachments: Exhibit "A" (PSV-2)

Board of Supervisors: Mike Wasserman, Dave Cortese, Ken Yeager, S. Joseph Simitian County Executive: Jeffrey V. Smith



Attachment D

4

County of Santa Clara Office of the County Assessor

County Government Center 70 West Hedding Street San Jose, CA 95110-1771 Fax (408) 298-9446

PLANNING DIVISION

JUL - 9 2013

Lawrence E. Stone, Assessor

REPORT OF THE COUNTY ASSESSOR

Date Report

Prepared:

June 24, 2013

Title of Proposal:

Sunnyvale Pocket Annexation No. 1, SV 03-Butcher's Corner

Type of Application:

Island Annexation

Conducting

Authority:

City of Sunnyvale

1. Review of Proposal

- a. Location: 6 parcels near El Camino Real / Wolfe Road / E Fremont Ave (5.5 AC)
- b. Assessor's Parcel Numbers: see table attached
- Respective Net value of assessed parcels as of July 1, 2012: \$615,802

2. Conformity to Lines of Assessment or Ownership

- \boxtimes Boundaries of proposal conform.
- Boundaries of proposal fail to conform to lines of assessment per attached map.
- Upon annexation, lines of assessment will no longer be split by TRA lines within this proposal.

3. Special Districts

Special districts within the proposed area include:

TRA 63-035	TRA 63-096
063-035 0069 CUPERTINO UNION ELEM. SCHOOL 063-035 0135 FREMONT UNION HIGH SCHOOL 063-035 0196 FOOTHILL COMM. COLLEGE 063-035 0215 BAY AREA JT(1,7,21,28,38,41,43,48,49,57) AIR QUALITY MGMT. 063-035 0252 MID-PENINSULA REGIONAL JT(41,43,44) OPEN SPACE 063-035 0296 CUPERTINO SANITARY 063-035 0322 SANTA CLARA VALLEY COUNTY WATER 063-035 0323 SANTA CLARA VALLEY-ZONE NC-1 COUNTY WATER 063-035 0335 SANTA CLARA COUNTY IMPORTATION WATER-MISC. 063-035 0371 CENTRAL FIRE PROTECTION 063-035 0376 SANTA CLARA VALLEY-ZONE W-4 COUNTY WATER 063-035 0377 AREA NO. 01 (LIBRARY SERVICES), BENEFIT ASSESSMENT COUNTY SERVICE 063-035 0378 AREA NO. 01 (LIBRARY SERVICES) COUNTY SERVICE	063-096 0069 CUPERTINO UNION ELEM. SCHOOL 063-096 0135 FREMONT UNION HIGH SCHOOL 063-096 0196 FOOTHILL COMM. COLLEGE 063-096 0215 BAY AREA JT(1,7,21,28,38,41,43,48,49,57) AIR QUALITY MGMT. 063-096 0252 MID-PENINSULA REGIONAL JT(41,43,44)OPEN SPACE 063-096 0322 SANTA CLARA VALLEY COUNTY WATER 063-096 0323 SANTA CLARA VALLEY-ZONE NC-1 COUNTY WATER 063-096 0335 SANTA CLARA COUNTY IMPORTATION WATER-MISC. 063-096 0371 CENTRAL FIRE PROTECTION 063-096 0376 SANTA CLARA VALLEY-ZONE W-4 COUNTY WATER 063-096 0376 SANTA CLARA VALLEY-ZONE W-4 COUNTY WATER 063-096 0377 AREA NO. 01 (LIBRARY SERVICES), BENEFIT ASSESSMENT COUNTY SERVICE 063-096 0378 AREA NO. 01 (LIBRARY SERVICES) COUNTY SERVICE

Prepared By: Anita Badger, Property & Title Identification Technician

(408) 299-5506

anita.badger@asr.sccgov.org

County of Santa Clara Office of the County Assessor County Government Center 70 West Hedding Street

San Jose, CA 95110-1771 Fax (408) 298-9446

Lawrence E. Stone, Assessor

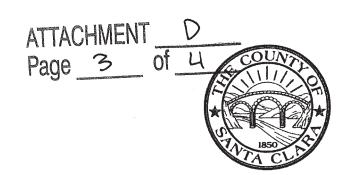
ATTACHMENT Page Z of

		NET VALUES
APN	TRA	07/01/12
211-25-011	63-096	\$174,703
211-25-034	63-096	\$317,086
211-25-035	63-096	\$597
211-25-036	63-035	\$597
211-25-038	63-035	\$66,483
211-25-039	63-035	\$56,336
under in the proposed confidence and the confidence		\$615,802
TOTAL APNs		TOTAL NET VALUES

County of Santa Clara

Planning and Development Office of the County Surveyor

County Government Center 70 West Hedding Street, E. Wing, 7th Floor San Jose, California 95110 (408) 299-5730



June 24, 2013

Ms. Neelima Palacherla, Executive Officer LAFCO 70 W. Hedding Street 11th Floor, East Wing San Jose, CA 95110

SUBJECT: Sunnyvale Pocket Annexation No. 1 "SV03 - Butcher's Corner"

The attached Exhibit "A" dated June 24, 2013 of the territory proposed to be annexed to the City of Sunnyvale entitled:

Sunnyvale Pocket Annexation No. 1 "SV03 - Butcher's Corner"

is in accordance with Government Code Section 56757 (c)(2). The boundaries of said territory are completely surrounded by the City of San Jose and are definite and certain. The proposal is in compliance with the Local Agency Formation Commission's road annexation policies.

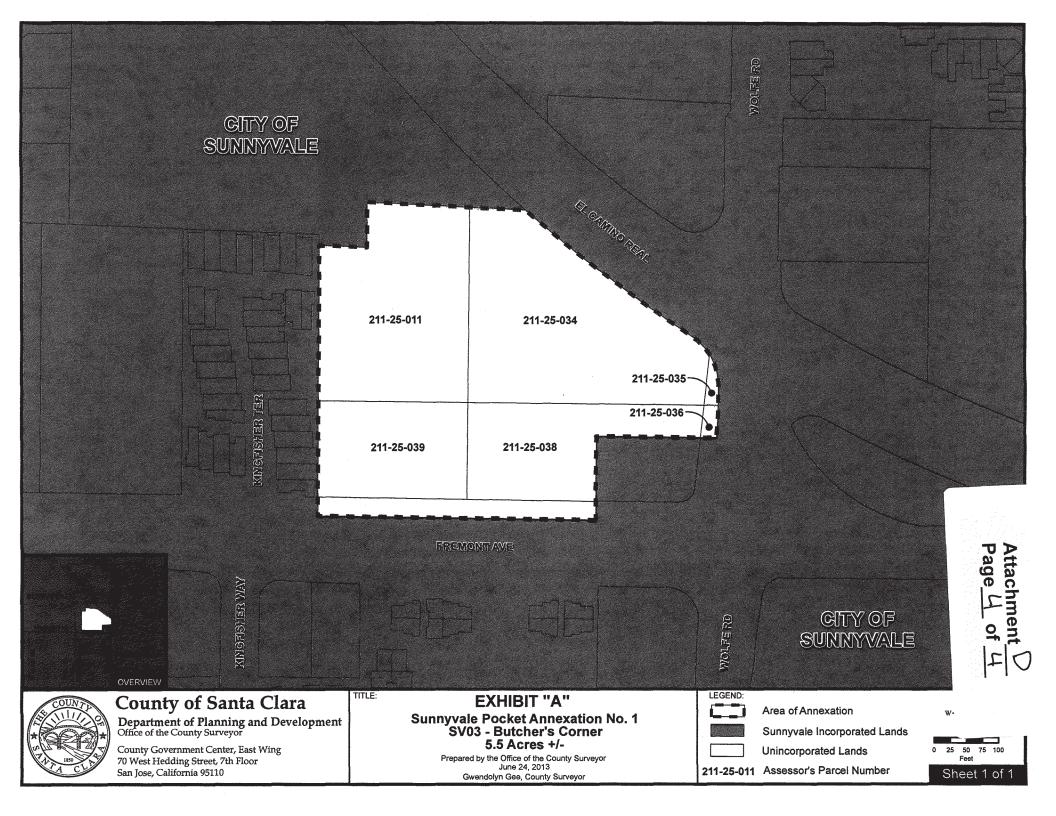
Per the Local Agency Formation Commission and the State Board of Equalization, this Pocket annexation does not require a legal description.

William F. Slepnikoff, Pl. Deputy County Surveyor

Date signed: June 24, 2013

Attachments: Exhibit "A" (PSV-1)

Board of Supervisors: Mike Wasserman, Dave Cortese, Ken Yeager, S. Joseph Simitian County Executive: Jeffrey V. Smith



Attachment E



ATTACHMENT E
Page \(\text{of } \frac{1}{2} \)

May 2, 2011

Hansom Hom Director of Community Development City of Sunnyvale 456 West Olive Avenue Sunnyvale, CA 94088-3707

RE: Status of Unincorporated Lands within the City of Sunnyvale's Urban Service Area Boundary (i.e. Unincorporated Islands)

Dear Mr. Hom:

In late October 2010, the Local Agency Formation Commission (LAFCO) of Santa Clara County directed its staff to develop an inventory of the remaining unincorporated islands and to report back to the Commission on each city's plans regarding its islands.

Three Unincorporated Islands Remains in the City of Sunnyvale

The City has three unincorporated islands within its Urban Service Area (USA). See table below and attached maps.

SUNNA	VAĒE.
Island ID#	No. of Acres
SV01	4.3
SV02	12.0
\$V63	5.3
Total	21.6

Annex Islands that Qualify for the Streamlined Annexation Process

Island SV01 consists of a segment of Central Expressway. Island SV02 consists of a segment of the Caltrain/Union Pacific railroad tracks and right-of-way. Island SV03 consists of residential development. All three islands are eligible for annexation through the streamlined annexation process. Islands such as these are substantially developed

and create inefficiencies / confusion in terms of provision of emergency and other municipal services. Furthermore, residents of such islands are politically disenfranchised from the city government that surrounds them.

Annexation of such islands is a high priority for LAFCO and the County. In order to encourage these annexations, LAFCO continues to waive its fees for island annexations and the County continues to provide financial incentives including covering the costs for preparing Assessor and Surveyor reports and maps, paying the State Board of Equalization filing fees, and budgeting for road improvements in islands approved for annexation. As you may be aware, the law streamlining the annexation process for qualified unincorporated islands sunsets on January 1, 2014.

We encourage the City to take advantage of this process and the incentives currently being offered by both the County and LAFCO for such annexations. Please provide us with an update on the City's plans and time-line for annexing these three islands.

A Response from the City is Greatly Appreciated

LAFCO staff is willing to work with and assist the City in resolving these island issues. We would appreciate knowing the City's annexation and/or urban service area amendment plans for these islands as soon as possible and no later than June 10, 2011. If you have any questions or concerns or would like to meet to discuss the City's plans, I can be reached at (408) 299-5127 or at neelima.palacherla@ceo.sccgov.org or you may contact Dunia Noel, LAFCO Asst. Executive Officer, at (408) 299-5148/ dunia.noel@ceo.sccgov.org. Thank for you for your time and consideration.

Sincerely,

Neelima Palacherla

Malacherle

LAFCO Executive Officer

Attachment:

Maps of Unincorporated Islands in City's Urban Service Area prepared by the Santa Clara County Planning Office

Cc

Gary Luebbers, City Manager, City of Sunnyvale
Sunnyvale City Council Members
Jody Hall Esser, Director, Dept. of Planning & Development, Santa Clara County
LAFCO Members